

Workers' Compensation Information System WCIS Advisory Meeting



San Francisco: June 9, 2008

Goals for WCIS

- Help DWC Manage WC system
- Facilitate Evaluation of Benefits Delivery
- Assist in Measuring Benefit Adequacy
- Provide Statistical Data for Research

Components of WCIS

- First Reports—FROI
- Subsequent Reports—SROI
- Medical/Bill Payment Reports

Data Collection – First Report of Injury

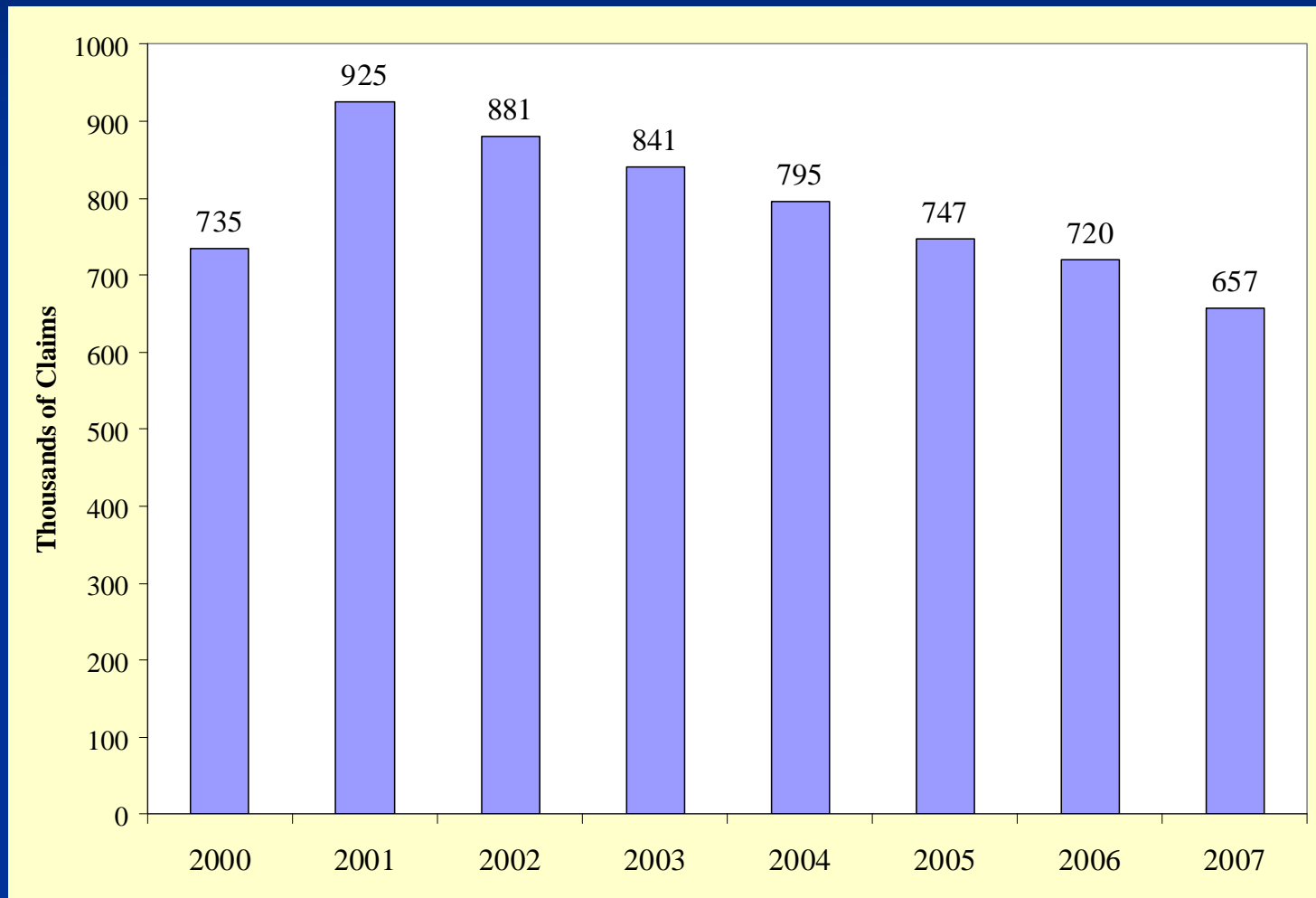
5/2008

■ Trading Partners Submitting Data ~190

■ Total Number of Claims 6.52 m

Number of Claims Reported to WCIS, 2000-2007

Total claims = 6,521,669 as of 5/22/08



Data Collection – Subsequent Reports (Indemnity)

5/2008

- Trading Partners Submitting Data 126
- Total Number of Claims 1.3 m

Data Collection – Medical Billing Data – update

1/2008

■ Entities Submitting Data 32 senders

194 claims administrators

■ Total Number of Bill Lines 12.5 m

WCIS Data Uses

- BSA
- DHS
- DLSR
- DOI
- DOSH
- EDD
- LAW ENFORCEMENT
- LEGISLATURE
- RESEARCHERS
 - CHSWC
 - Navigant & Professor Les Boden (Boston University)
- WCIRB
- EAMS

WCIS Tables

Claims by Year of Injury, 2000-2008 (May):

1. Part of Body
2. Cause of Injury
3. Nature of Injury
4. Market Share
5. Age
6. Gender
7. Geographic Region ****NEW****

http://www.dir.ca.gov/dwc/wcis/WCIS_Reports.html

WCIS Reports and Detailed Tables ****NEW****

Data Quality Report, May 2008

Claims by Year of Injury, 2000-2008 (May):

- Table 1a: Part of Body
- Table 2a: Cause of Injury
- Table 3a: Nature of Injury
- Table 7a: Geographic Region by County
- Data Quality Tables 8, 8a, 8b, 8c, 8d

http://www.dir.ca.gov/dwc/wcis/WCIS_Reports.html

Data Quality Report Highlights

- % TA %TE %TR: Not a lot of change between 2006 and 2008 for FROIs or SROIs
- One sender is responsible for half of the SROI rejections

May 2008	TA	TE	TR
FROI	77%	18%	5%
SROI	45%	27%	28%

Data Quality Report Highlights

- Category with highest % errors:
- Reject (TR):
 - By data element:
 - Maintenance type code (FROI and SROI)
 - By error message:
 - Duplicate FROI (FROI)
 - Invalid event/sequence relationships (SROI)

Data Quality Report Highlights

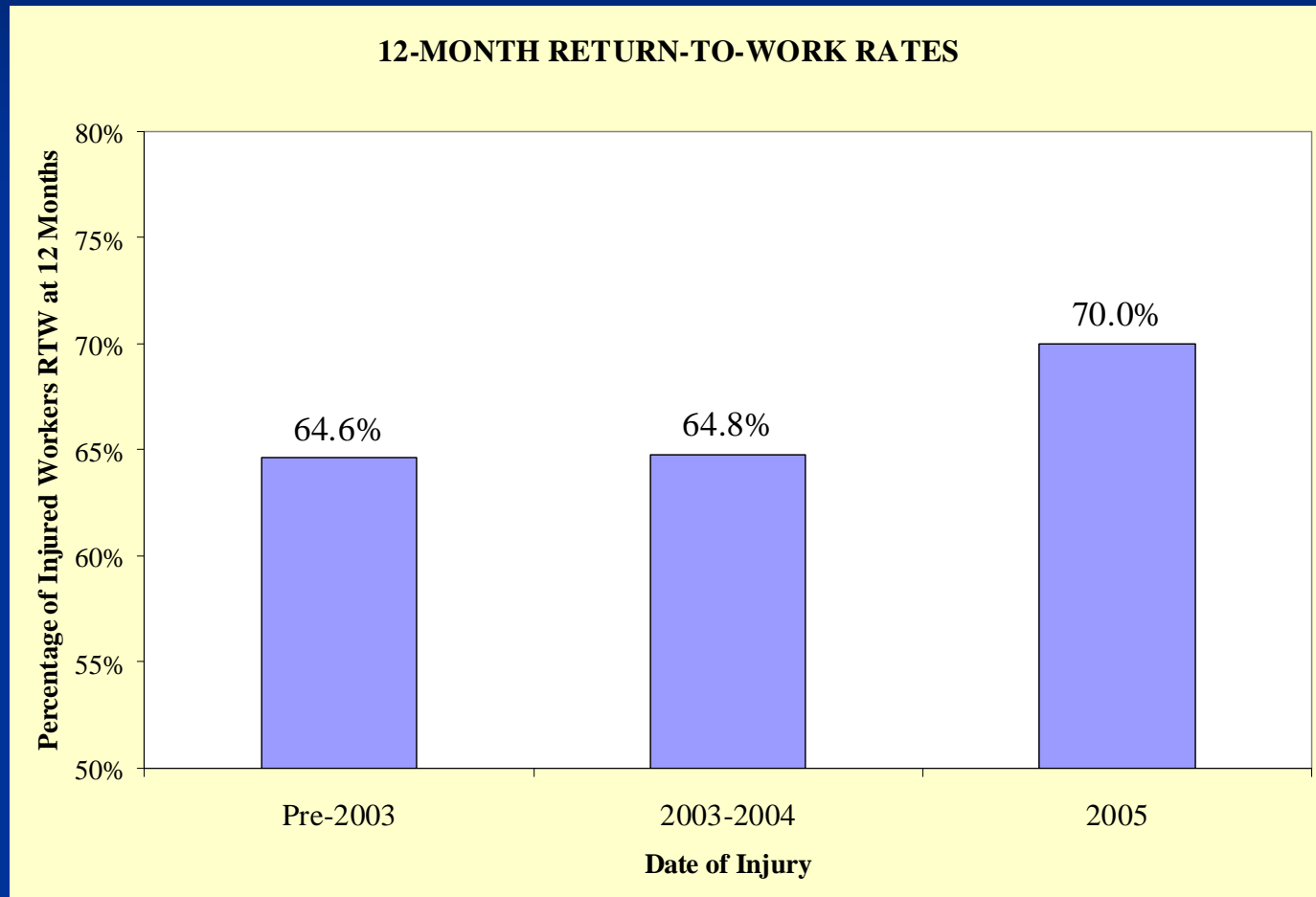
- Category with highest % errors:
- Accepted with Error (TE)
 - By data element:
 - Claim administrator postal code (FROI)
 - Wage period (SROI)
 - By error message:
 - Invalid on zip code table (FROI)
 - Invalid wage period codes (SROI)

Research Unit Analyses of Permanent Disability

- Return to Work Rates
- Wage Loss Studies
- <http://www.dir.ca.gov/dwc/dwcrep.htm>
- Scroll down the page; look under Reports

Preliminary Result:

The overall RTW rate increased for workers injured in the 2005 sub-period by about 5 percentage points.

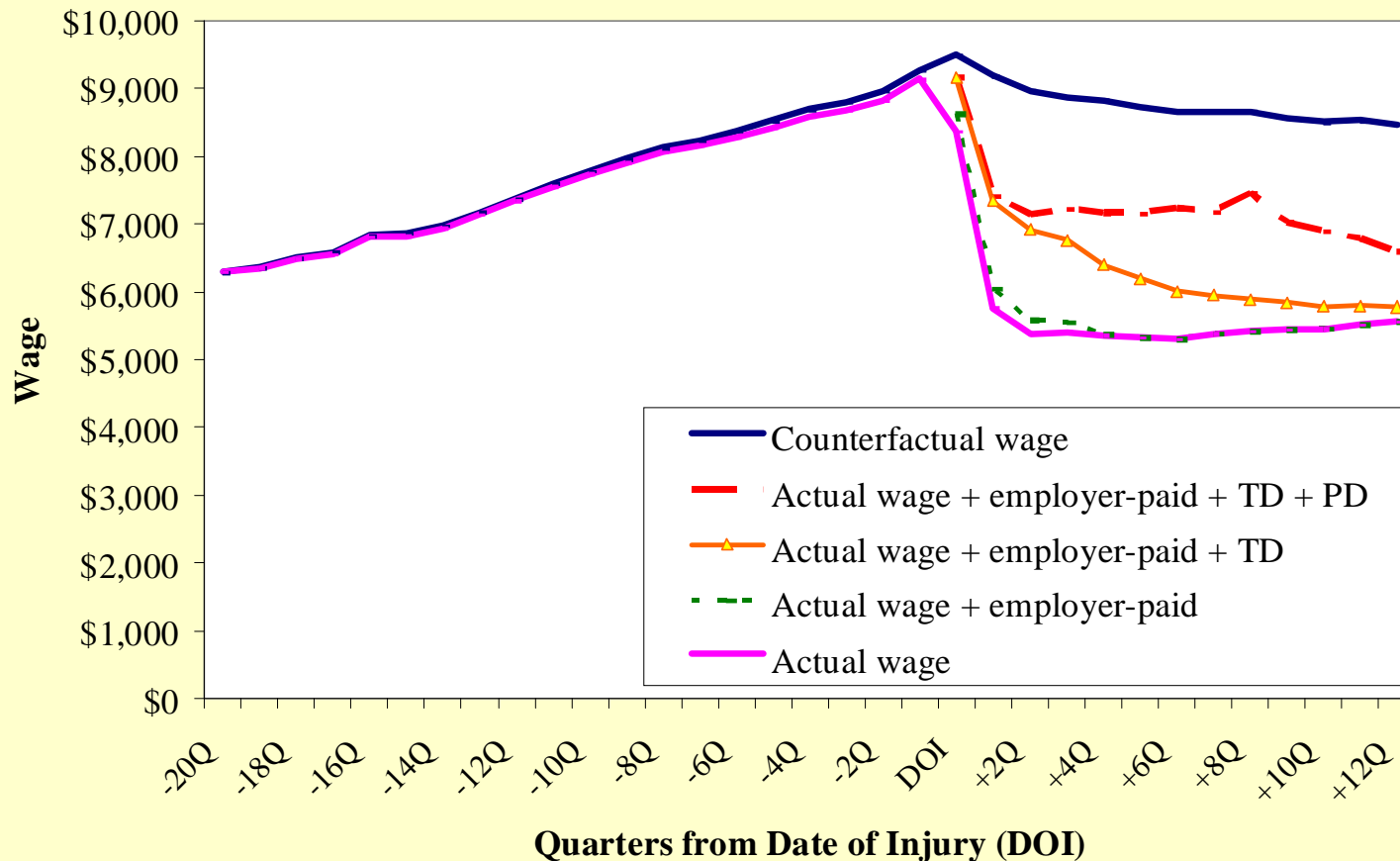


Key Findings: Return-to-Work

- Overall RTW rate at 12 months increased by five percentage points (65% to 70%) between 2003 and 2005, driven primarily by workers returning to the same employer
- These RTW rates varied significantly by part of body (53% psych to 78% upper ext)
- These RTW rates rose with age, up to age 60.

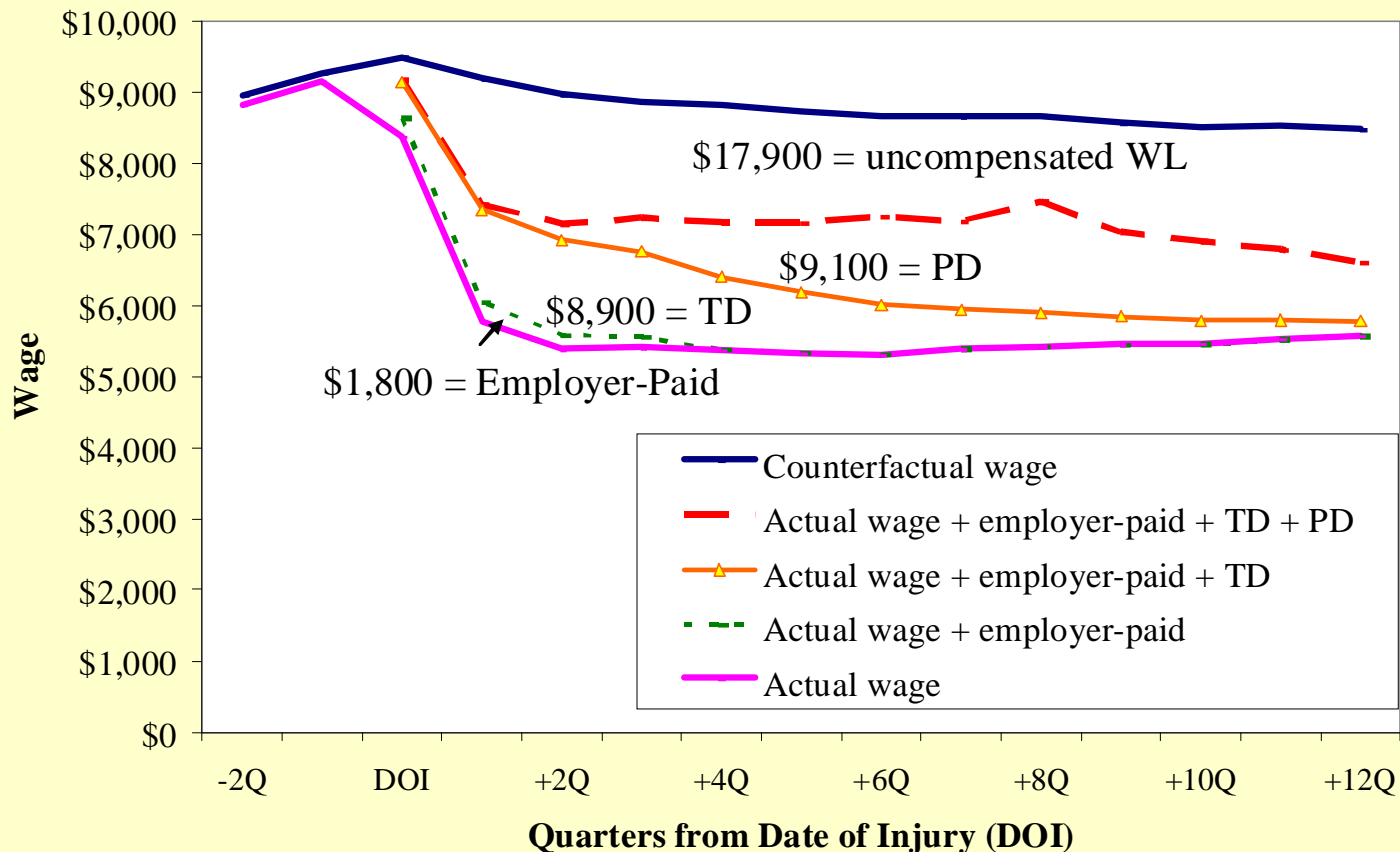
3-year wage loss estimate

**Estimated Wage Loss for Permanently Disabled Workers
Injured in 2002**



3-year wage loss estimate

**Estimated Wage Loss for Permanently Disabled Workers Injured in 2002:
Total Wage Loss = \$37,700**



System Changes to WCIS FROI/SROI

- Change in EDI translator from Celerity State Connect to Gentran during 2008
- Importance to Trading Partners:
Improved processing speed of new translator
=> Improved acknowledgment turnaround

Prospective Rulemaking Changes

- CA FROI/SROI Implementation Guide
- Compliance: Annual Report of Inventory
- CA Medical Data Implementation Guide
- Standard e-Billing Forms

Example of Proposed Changes: CA FROI/SROI IG

- Default value of “999999999” will be accepted when the SSN (DN42) is unknown.
- On any transaction, the Insurer FEIN (DN6), Third Party Administrator FEIN (DN8), if any, and **Claim Administrator Postal Code (DN14)** must match what was reported on the Insurer/Claim Administrator ID list for the Sender or the transaction will be rejected.
- A WCIS-hosted FTP transmission option will be available.

Examples of Proposed Changes: CA FROI/SROI IG

- The **Agreement to Compensate** (DN75) data element will be added to the SROI data requirement table.
 - It will be Mandatory/Fatal on the SROI Partial Denial (MTC=4P) and the SROI Denial (MTC=04).
- The **Payment/Adjustment Weeks and Days Paid** (DN90 and 91) will be:
 - Mandatory/Fatal on the SROI IP, AP, FS, 4P, CA, CB, RE, Px, Sx, and RB;
 - Conditional/Fatal on the SROI 02, CO, AN, FN, and UR;
 - Optional on the SROI CD, 04 and PY.

Examples of Proposed Changes:

CA FROI/SROI IG

- The SROI Annual (MTC=AN) and SROI Final (MTC=FN) will now be accepted if a previously reported indemnity benefit is missing in the AN or FN.
- The SROI Annual (MTC=AN) will now be accepted with error if a previously unreported indemnity benefit is reported in the AN.
- Any existing indemnity benefits will automatically be closed when the FROI Acquired Unallocated (MTC=AU) is accepted.

Update Code Tables

- NAICS codes are updated every 5 years by the U.S. Census Bureau (2002, 2007, etc.) and are available at:

<http://www.census.gov/epcd/www/naics.html>

- WCIRB class codes are updated in January and are available at:

https://wcirbonline.org/wcirb/Answer_center/classification_information.html

First Aid, Compliance and the ARI

Reporting First Aid Claims to WCIS

- Reporting first aid claims to the WCIS is required only if the first aid was provided by a physician.
- The Doctor's First Report is required to be filed on all claims when medical treatment is provided by a physician, including first aid.

Current Compliance Issues

- Annual Report of Inventory –8 C.C.R. § 9702(i)(3) provides: On and after September 22, 2006, a claims administrator's obligation to submit an Annual Report of Inventory pursuant to Title 8, California Code of Regulations, section 10104 is satisfied upon determination by the Administrative Director that the claims administrator has demonstrated the capability to submit complete, valid, and accurate data as required under subdivisions (b), (d), (e), and (g), and continued compliance with those subsections.
- Aggregate Claims by Auditing Location: Importance of nine-digit zip code

Proposed WCIS Advisory Group

- This group would discuss standards for determining good reporting (i.e. submitting complete, valid and accurate data)
- DWC will contact a sample of good FROI reporters (from our 2006 ARI-WCIS analysis)

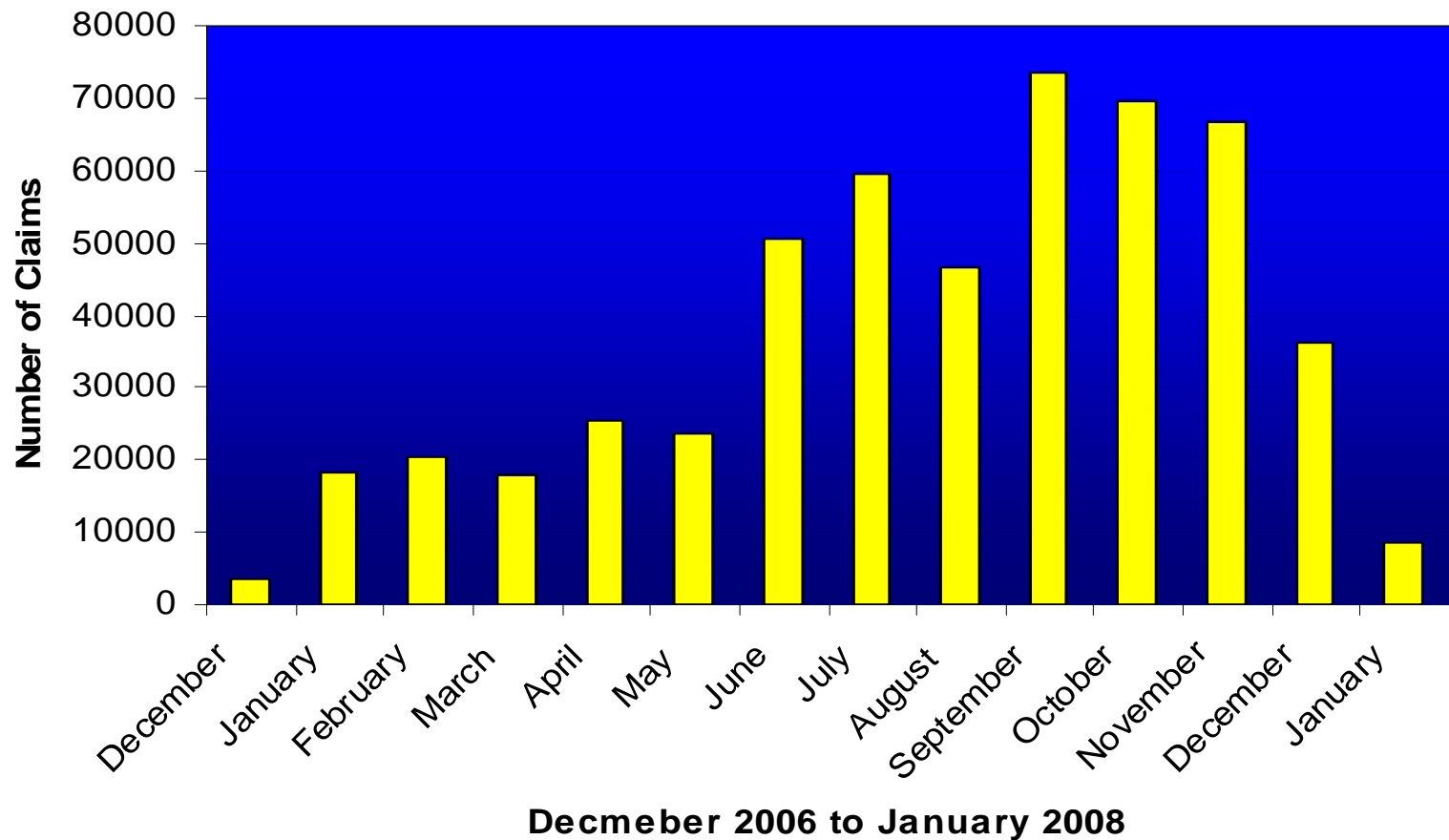
Detailed Medical Data

IAIABC Medical Data Collection

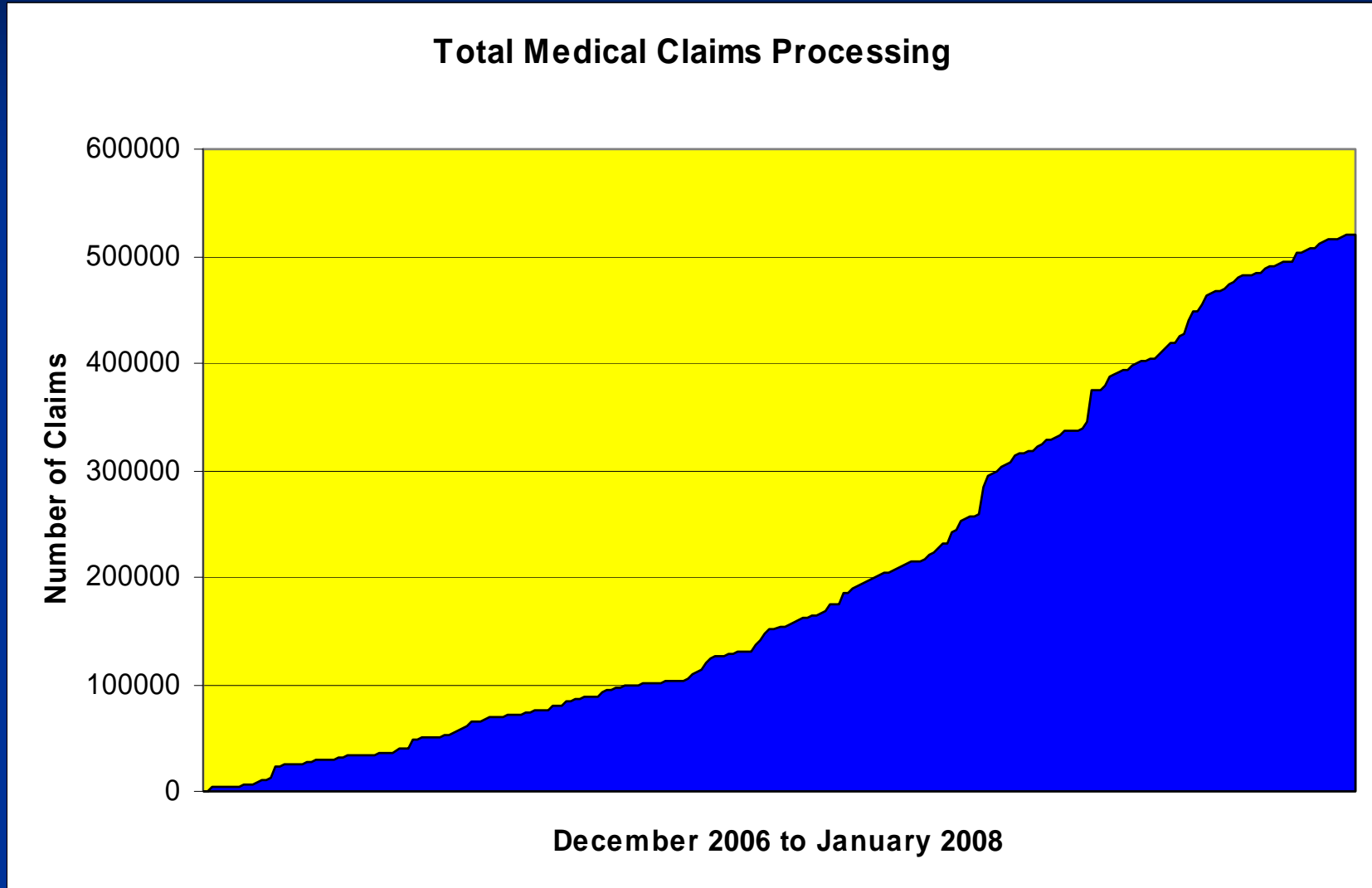
- Status of initial reporting
- Status of Medical lien data collection
- Proposed changes to the Medical Implementation Guide
- Other Issues

Monthly Medical Claim Production

Monthly Claims Processing



Total Medical Claim Production



Data Quality Errors

Rank	Error Code	Message
1	58	Code/ID invalid
2	57	Duplicate transmission/transaction
3	1	Mandatory field not present
4	63	Invalid event sequence/relationship
5	28	Must be numeric (0-9)
6	30	Must be A-Z, 0-9, or spaces
7	34	Must be >= date of injury
8	40	All digits cannot be the same
9	41	Must be <= current date
10	73	Must be >= date payer received bill
11	75	Must be <= thru service date
12	74	Must be >= from date of service
13	29	Must be a valid date (CCYYMMDD)

Issue: Bundled Medical Bills

- The existing 837 did not have a mechanism to report lump sum settlements (Bundled Medical Bills).
- The IAIABC Medical Committee formed a subcommittee composed of stakeholders from the industry and the state to develop a resolution to Medical Lien settlement issue.

IRR: MED547R1.0

The charge of the IAIABC Medical Work Group Sub Committee on California Lien Bills was to determine if the IAIABC ANSI 837 Standard could be used to report additional lump-sum lien bill settlements paid to the medical provider.

IAIABC Guidelines

- ZERO PAY: The committee determined, in consultation with the Medical Work Group and an ANSI liaison, that the standard supports the reporting of zero-dollar payments.
- LUMP SUM PAYMENTS: The sub committee determined the jurisdiction could adopt six jurisdictional codes that are recommended to become a part of the IAIABC ANSI 837 standard.

Jurisdictional Codes for Bundled Bills

- MDS10 Lump sum settlement for multiple bills where the amount of reimbursement is in dispute between the claims payer and the healthcare provider.
- MDO10 Final order or award of the Workers' Compensation Appeals Board requires a lump sum payment for multiple bills where the amount of reimbursement is in dispute between the claims payer and the healthcare provider.
- MDS11 Lump sum settlement for multiple bills where liability for a claim was denied but finally accepted by the claims payer.
- MDO11 Final order or award of the Workers' Compensation Appeals Board requires a lump sum payment for multiple bills where claims payer is found to be liable for a claim which it had denied liability.
- MDS21 Lump sum settlement for a single medical bill where the amount of reimbursement is in dispute between the claims payer and the healthcare provider.
- MDO21 Final order or award of the Workers' Compensation Appeals Board requires a lump sum payment for a single medical bill where the amount of reimbursement is in dispute between the claims payer and the healthcare provider.

Summary of Reporting Timeline

(Based on Dates of Service)

- All zero pay bills ($\$=0$), with dates of service of 9-22-2006 or later, are reportable from 9-22-2006.
 - Unless a variance was granted
 - Includes both lien and non-lien zero pay bills
- Applicable as defined by the six California-adopted codes within IAIABC IRR:MED547R1.0, “bundled” lump sum bill lien payments ($\$>0$) will be reportable when new WCIS regulations are finalized.

Changes to the Medical Data Collection

- Added two new data elements (DN719 & DN722) to be consistent with forth coming e-billing regulations. The two new data elements reflect the use of dental codes in medical billing.
- Deleted nine data elements (DN45,DN208, DN209,DN526, DN537,DN649, DN680, DN681, DN712) to simplify reporting.
- Added the Lump Sum Bundled Medical Lien Reporting requirements.

Questions??

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